

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE
HOME and Homeownership Section
HOME Investment Partnerships Program**

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TO: Interested Parties

FROM: Tom Bettencourt, HOME Section Chief

RE: 2009 HOME Income and Rent Limits for Rental Projects in Nevada, Santa Clara, Solano and Ventura counties

DATE: June 3, 2009

On April 15, 2009, HOME issued a memo regarding the 2009 Rent and Income limits. This memo stated that rental projects may use MHP's 2009 published Rent and Income Limits, but noted that data for Nevada, Santa Clara, Solano, and Ventura counties was missing from these charts due to guidance we were waiting on regarding what projects were subject to "hold harmless" (HERA) limits for these counties. TCAC has recently clarified which projects are subject to these HERA limits. (These limits are generally higher than the regular 2009 limits.)

State HOME projects subject to the HERA income and rent limits are existing tax credit projects in Nevada, Santa Clara, Solano, and Ventura counties that were **placed-in-service on or before December 31, 2008**. For these rental projects, the following rent and income limits must be used.

2009 HERA Rents

http://www.treasurer.ca.gov/ctcac/rentincome/09/hera_maxrents.pdf

2009 HERA Income Limits

http://www.treasurer.ca.gov/ctcac/rentincome/09/hera_maxincome.pdf

The following IRS newsletter also provides guidance to these counties regarding the applicability of the HERA limits. Please review the entire newsletter before determining if the HERA limits apply to your project.

IRS Newsletter

http://www.treasurer.ca.gov/ctcac/rentincome/09/irs_lowincome.pdf

For all other rental projects in these counties, the following rent and income limits must be used:

2009 Rents

http://www.treasurer.ca.gov/ctcac/rentincome/09/ctcac_maxrent.pdf

2009 Income Limits

http://www.treasurer.ca.gov/ctcac/rentincome/09/max_income.pdf

Please contact your HOME Representative with any questions.